

Draft Minutes
Land Trusts Protection & Advocacy
Committee
Tuesday, April 13, 2021 | 12 P.M. - 1 P.M.

Electronic Meeting Only
Zoom Video Conference

Members of the Committee Present (Virtually):

Steve Ostler, Chair
Paula Plant, Vice Chair
Richard Ellis
Brigham Tomco
Louie Cononelos

Others Present (Virtually):

Roger Barrus (SITLA)
Jonathan Bates (University of Utah)
Margaret Bird (Higher Education Beneficiaries)
Joel Coleman (Schools for the Deaf and Blind Superintendent)
David Damschen (Utah State Treasurer)
Tim Donaldson (Land Trusts Protection & Advocacy Office Director)
DeLacy Healey (SITFO)
Mike Johnson (SITLA)
Scott Jones (USB)
Scott Ruppe (SITLA)
Marissa Sittler (Utah Office of State Treasurer)
Kirt Slauch (Utah State Chief Deputy Treasurer)
Jessie Stuart (Land Trusts Protection & Advocacy Office)
Paul Tonks (Office of Attorney General)
David Ure (SITLA Director)

Meeting called to order by Chair Ostler at approximately 12 P.M.

1. Welcome

Chair Ostler opened the April 13, 2021 Land Trusts Protection & Advocacy Committee meeting and welcomed all guests.

2. Approval of Minutes

There were no comments to the January 21, 2021 meeting minutes. Mr. Cononelos made a motion to approve the meeting minutes, with Ms. Plant seconding. The motion

passed with all members voting in favor.

Record of Vote:

Mr. Tomco: Aye

Ms. Plant: Aye

Mr. Ostler: Aye

Mr. Ellis: Aye

Mr. Cononelos: Aye

3. Calendar and Confirmation of Meeting Dates

Chair Ostler referenced the proposed meeting dates for the Advocacy Committee. Mr. Cononelos stated that he has a conflict on the October 12 meeting and proposed that the time be earlier. The committee and Director Donaldson agreed that a start time of 10 A.M. on October 12th works.

4. Stakeholder and Public Input

Chair Ostler invited any individual, including beneficiary stakeholders, in the meeting to speak.

Ms. Bird stated that Director Donaldson requested her to share briefly on an organization called NASTL (National Association of State Lands), which is comprised of the 20 land commissioners in each state that still have remaining lands. The NASTL will be holding a meeting in September in Portland, which Ms. Bird indicated that she can give a more thorough report on at the next Advocacy Committee meeting. Ms. Bird stated that there is a beneficiary group that was created in the year 2000, which Ms. Plant is a founding member of, that is called ASTL (Advocates for School Trust Lands, often referred to as "Advocates"). This group will be holding Zoom meetings as a September conference with the NASTL. Ms. Bird commented that it is a great resource to gain ideas from other states regarding revenue generating opportunities, as well as hear updates on other activities. It was clarified that members of the Advocacy Committee are welcome to attend the NASTL meetings.

5. Trust Lands Advisory Committee Report

Ms. Plant, Vice Chair of the Advocacy Committee, thanked the committee for supporting the funding for the USBE website. It was decided to bring the website in-house, Vice Chair Plant stated this was a good decision. The programmers are now accountable to USBE, which has made a significant difference. Three USBE board members are principals, their interest in having the plans and reports ready has made an incredible difference in getting work done and having the work acceptable to them.

Karen Rupp will be retiring July 1, and there has been a posting for her replacement. By code, the School Children's Trust Section of the State Board of Education administers the School Land Trust Program and specifically provides training to all those involved, in addition to monitoring program compliance. The replacement for Ms. Rupp will be the head of training. Vice Chair Plant stated that the Trust Lands Advisory Committee (TLAC)

requested training new USBE board members as they are brought on. Vice Chair Plant indicated that she will let everyone know how the training goes. A former board member made the recommendation for the training, as Director Donaldson had provided a 30 minute briefing for her when she first started.

Vice Chair Plant stated that Mr. Coleman is a great supporter and hopes he will speak to the committee at the next meeting about the great work that the Schools for the Deaf and Blind is doing with the funding from their respective trust.

6. Protection & Advocacy Office Report

a) Update on the Legislative Session

Director Donaldson provided a presentation to the committee regarding the previous legislative session and provided a SITLA and SITFO update. The presentation is available online.

Director Donaldson covered legislation regarding trust land matters. He spoke on the federal moratorium on oil and gas leasing, which Director Donaldson indicated is having devastating impacts in the basin and noted that several states, including Utah, are suing against the moratorium.

The negotiations and discussions regarding the Inland Port Authority are ongoing. SITLA's Development Director Kyle Pasley's estimates that SITLA will earn about \$70 million dollars over 20 years from the lands held inside the Inland Port.

The Advanced Clean Energy Storage (ACES Delta) project continues to progress. SITLA Deputy Ruppe has taken the lead with outside consultants for research. As the new technologies continue to change, there are a variety of renewable energy technologies and uses being considered for the caverns.

Director Donaldson stated that has spoken with SITLA's Surface Director Michelle McConkie and Deputy Assistant Director Chris Fausett, who will be implementing the sale of trust lands for the Utahraptor State Park.

It is anticipated that there will be a new declaration for Bears Ears by President Biden. For the third time in five years, a U.S. Secretary of the Interior toured the Bears Ears area.

SITFO had significant legislation during the previous session. Director Donaldson spoke about bills SB 169 and HB 02. Director Donaldson noted that SITFO's budget request was fully funded. He commented that there was an issue with a legislative fiscal analyst that was concerned with the overall full time employee (FTE) count around the trust, which was straightened out in discussion with Director Donaldson, Treasurer Damschen, and Jonathan Ball.

Director Donaldson commented on HB 408, which could have impacted the composition and structure of the Advocacy Committee.

Mr. Cononelos inquired about how many oil and gas leases are not in production, which Director Donaldson indicated he would research.

7. Committee Discussion Items

a) Discussion of Protection

Director Donaldson stated that the following items on discussing protection and advocacy are meant to be a conversation starting place for the committee. He provided an overview, as the new director of the Advocacy Office, on how he sees protection and advocacy. He stated that there could be benefit to the office and committee in developing a guiding principles document.

Director Donaldson noted that he sees protection of the trust as protecting what has been built over time, as well as protecting the story, mission, and vision of the trust. He outlined the below items as to what he interprets as protection:

- Issue spotting and risk assessment
- Ensuring thorough processes, deep engagement on strategy and policy
- Managers must explain actions to skeptical, critical audience
- Monthly one-on-one meetings with each revenue group leader
- Biweekly meetings with SITLA director
- Quarterly meeting with SITLA finance director
- Presentations at each meeting
- Helping people succeed with institutional knowledge and memory

Director Donaldson outlined what he does not interpret protection as:

- Substituting his judgment for the board's or management's
- About him, his opinions, his ambitions, nor his success at their expense
- Trusting without verifying
- Reckless troublemaking distraction
- Micromanaging the discretion of others who are acting within their delegated powers

Treasurer Damschen commented that Director Donaldson is spot on with his orientation, and that vast weight of fiduciary responsibility falls on the trustees of the boards with which one serves. He believes it is a great idea to have a guiding document for when there is grey area. He added that the process is powerful and very valuable in creating the document and talking through with each other to get to the finished product.

SITLA Deputy Ruppe commented that he agrees with Treasurer Damschen, and that having base beliefs agreed upon then simplifies in the future some decisions that may not have been foreseen.

Mr. Cononelos commented that Director Donaldson is in a very unique position due to his past experience with the trust, and that his only caution is temperament in meetings, which Mr. Cononelos noted, is from his own use of temperament.

Vice Chair Plant stated that she is very pleased to hear this conversation. Prior to the

legislative session, Director Donaldson indicated that this is a direction he wanted to go, so that there is a set of values, and therefore, the Advocacy Committee does not feel that they have to meet and state their support bills and appropriations. She commented that she would like to establish a timeline, if possible, so that there could be something in place before the next legislative session begins.

Mr. Ellis inquired about the wording of delegated powers instead of fiduciary responsibilities. Director Donaldson stated that fiduciary responsibilities is a better way to describe it, the overarching purpose of using the wording of delegated powers was the idea that checks and balance work properly when individuals are within their divided powers and scopes.

b) Discussion of Advocacy

Director Donaldson stated that the advocacy side is more complex. The guidance from the Advocacy Committee has been to focus on both protection and advocacy, but more so on advocacy. As advocacy is multi-layered, Director Donaldson noted that he will be giving this item more thought. He outlined the points that he sees as advocacy, and noted that it is not an exhaustive list:

- Multi-Layered
- Legislature
- County Commissioners
- Education Community
- User Groups
- Social Media is of limited utility
- Always ready explain vision, principles, values (and fiduciary actions) to skeptical, critical audience
- Planting seeds with new legislators is especially important and effective
- Transmitting the heritage, training new fiduciaries, and preserving institutional knowledge are core concerns

Director Donaldson commented that he is fairly conservative when it comes to the trust, not in a political sense, but that the trust system has been built really well and that work needs to be defended. In some ways, the trust should be risk averse to try and protect it. There are the laws and governance structures that are in place for the trust to weather different economic and political cycles.

Vice Chair Plant stated that being able to establish what the advocacy is for the office is very important. In the interim when the Advocacy Office did not have a director, Vice Chair Plant and Ms. Stuart met with beneficiaries, SITLA, and SITFO to ask them what they could see the value add for beneficiary involvement. Vice Chair Plant noted that the responses were very broad. She commented that it is important for Director Donaldson to establish what it is he can do with two people in the Advocacy Office and to make that the priority. She noted that there were items of input on the advocacy list that were excellent to consider, and other items that were outside of the realm. Director Donaldson added that he plans to work with SITLA, the Office of State Treasurer, TLAC, and the School Children's Trust to amplify advocacy efforts without increasing the staffing of the Advocacy Office.

c) Other Items for Discussion

Director Donaldson stated that the proposed timeline in his presentation serves as a starting point for the conversation. He provided an outline of a timeline for key action items. Chair Ostler commented that it would be helpful for the committee to mull over the items that Director Donaldson had presented on and provide feedback in the next couple weeks. He thanked Director Donaldson for his work on the guiding principles document and the value that will come from it.

d) Future Agenda Items

Chair Ostler inquired if anyone wanted to make suggestions for future agenda items to discuss. There were no suggestions.

Chair Ostler commended Treasurer Damschen for the work that he has done for the Advocacy Office, for SITFO, and for the state of Utah. Treasurer Damschen expressed his gratitude for everyone's great work and that it has been an honor to be a part of it.

8. Adjourn

Mr. Ellis made a motion to adjourn. All committee members voted in favor. Chair Ostler thanked everyone for their work.

Record of Vote:

Mr. Tomco: Aye

Ms. Plant: Aye

Mr. Ostler: Aye

Mr. Ellis: Aye

Mr. Cononelos: Aye

Meeting was adjourned